

2. No person or household shall be eligible for a mortgage loan in the event of initiated or ongoing bankruptcy proceedings or in the event that the property is encumbered by more than one mortgage.

3. The total amount of any mortgage loan shall not exceed an amount equal to 600 percent (six times 100 percent) of the monthly applicable "Payment Standard" for the family size as defined for the Housing Choice Voucher Program for the region in which the property is located as determined in accordance with guidelines published annually by the United States Department of Housing and Urban Development.

Amended by R.1988 d.521, effective November 7, 1988.

See: 19 N.J.R. 1777(a), 20 N.J.R. 2752(a).

Substantially amended.

Amended by R.1990 d.62, effective February 5, 1990.

See: 21 N.J.R. 2845(a), 22 N.J.R. 336(b).

Excluded from mortgage loan eligibility anyone who has filed for bankruptcy; clarified language regarding maximum loans.

Amended by R.1992 d.433, effective November 2, 1992.

See: 23 N.J.R. 3439(a), 24 N.J.R. 4035(a).

Eligibility provisions specified further.

Amended by R.1995 d.56, effective February 6, 1995.

See: 26 N.J.R. 4248(a), 27 N.J.R. 483(a).

Amended by R.2008 d.66, effective April 7, 2008.

See: 39 N.J.R. 4986(a), 40 N.J.R. 1827(b).

In the introductory paragraph of (a), substituted "Department of Community Affairs" for "Bureau of Housing Services"; in (a)1 and (a)2, substituted "household" for "person", "the household" for "he" and "the household's" for "his"; in (a)2, substituted "homelessness" for "losing his home" and "a notice of" for "for"; rewrote (a)3; in (d), substituted "Department of Community Affairs" for "Bureau of Housing Services"; in (h)5, inserted "or" at the end; in (h)6, substituted "Department of Community Affairs" for "Bureau of Housing Services"; and in (i)3, substituted "applicable 'Payment Standard' for the family size" for "'Fair Market Rental'" and "Housing Choice Voucher" for "Section 8 Existing".

Case Notes

Vacating judgment for possession in summary dispossess action for nonpayment of rent was warranted. Housing Authority of Town of Morristown v. Little, 135 N.J. 274, 639 A.2d 286 (1994).

Initial Decision (2008 N.J. AGEN LEXIS 475) adopted, which concluded that a tax title lien was not a mortgage, but was a separate and distinct entity that was statutorily created to protect the right of the municipality to collect real estate taxes. Thus, although it was a lien on the property, the regulation specifically required that the petitioners be disqualified if they have more than one mortgage on the property and a tax title lien did not fall into that category. R.R. v. Division of Housing, OAL Dkt. No. CAF 4672-08, 2008 N.J. AGEN LEXIS 1286, Final Decision (July 22, 2008).

Initial Decision (2007 N.J. AGEN LEXIS 218) adopted, which concluded that the agency was correct in denying petitioner's application for assistance based on the fact that petitioner created her own homelessness; petitioner had ample time to secure a two-bedroom apartment after her son left the residence and she was notified that she had to downgrade from her three-bedroom apartment in order to continue Section 8 housing. J.T. v. Homelessness Prevention Program, Dep't of Community Affairs, OAL Dkt. No. CAF 2157-07, 2007 N.J. AGEN LEXIS 339, Final Decision (June 8, 2007).

Initial Decision (2006 N.J. AGEN LEXIS 318) adopted, which concluded that where an applicant had been approved for relief under the Homelessness Prevention Program but the new landlord refused to sign the relocation agreement, the applicant was entitled to reimbursement of funds the applicant had to borrow to meet the landlord's deadline;

despite the applicant's attempts to contact the agency for help, the agency did not attempt to resolve the impasse with the landlord or notify the applicant about finding another apartment or applying for emergency funds to meet the landlord's deadline. R.S. v. Homelessness Prevention Program, Div. of Housing, OAL Dkt. No. CAF 03115-06, 2006 N.J. AGEN LEXIS 513, Final Decision (June 6, 2006).

Initial Decision (2006 N.J. AGEN LEXIS 318) adopted, which concluded that the agency's notice of adverse action, sent more than four months after petitioner's application, was untimely and therefore of no consequence. R.S. v. Homelessness Prevention Program, Div. of Housing, OAL Dkt. No. CAF 03115-06, 2006 N.J. AGEN LEXIS 513, Final Decision (June 6, 2006).

Initial Decision (2006 N.J. AGEN LEXIS 149) adopted, which concluded that, although petitioner stated that he could not pay his rent because his room had been broken into while he was incarcerated and \$800 in cash was missing, petitioner's budget demonstrated that he did have sufficient funds to pay his rent; he received Social Security in the amount of \$851 per month, and after deducting his expenses, including his rent, he had \$221 per month remaining. Therefore, since his failure to exhaust his resources rendered him ineligible under N.J.A.C. 5:41-2.1(c), there was no need to determine whether petitioner's incarceration constituted a reason beyond his control. Prioleau v. Dep't of Community Affairs, Div. of Housing, OAL Dkt. No. CAF 708-06, 2006 N.J. AGEN LEXIS 521, Final Decision (April 12, 2006).

Applicant was ineligible for Homelessness Prevention Act assistance because her shelter costs were so great as to be unaffordable after assistance period ended. T.O. v. Department of Community Affairs, 96 N.J.A.R.2d (CAF) 63.

Excess income defeated applicant's request for housing benefits under Homeless Prevention Act. M.R. v. Bureau of Housing Services, 96 N.J.A.R.2d (CAF) 39.

Homelessness prevention assistance was not available absent a failure of resources beyond applicant's control. C.N. v. Bureau of Housing Services, 95 N.J.A.R.2d (CAF) 49.

Assistance under Homelessness Prevention Program was not available absent a failure of resources beyond applicant's control. Cardiello v. Department of Community Affairs, 95 N.J.A.R.2d (CAF) 42.

Application for assistance properly denied; petitioner already received assistance and did not demonstrate substantial change that would warrant further assistance. K.N. v. Department of Community Affairs, 95 N.J.A.R.2d (CAF) 8.

Petitioner failed to demonstrate that he was without adequate funds; no eligibility for Homelessness Prevention Program assistance. S.W. v. Homelessness Prevention Program, Housing Div., 94 N.J.A.R.2d (CAF) 119.

Assistance under the Homelessness Prevention Program; alleged governmental assistance abuse. S.P. v. Bureau of Housing Services, 94 N.J.A.R.2d (CAF) 65.

Single adult male sharing a three bedroom apartment was not eligible for rental assistance pursuant to the Homelessness Prevention Program. B.T. v. Department of Community Affairs, 93 N.J.A.R.2d (CAF) 29.

Homeless woman was not eligible for emergency assistance. A.M. v. Essex County Welfare Div., 93 N.J.A.R.2d (DEA) 21.

Failure to pay rent made tenant ineligible for the homeless prevention program. Lemar v. Department of Community Affairs, 93 N.J.A.R.2d (CAF) 7.

Absence of imminent danger of losing home precluded temporary housing assistance. Groux v. New Jersey Dept. of Community Affairs, 92 N.J.A.R.2d (CAF) 70.

Eligibility for mortgage assistance under Prevention of Homelessness Act. *Hahin v. Bureau of Housing Services*, Department of Community Affairs, 92 N.J.A.R.2d (CAF) 29.

5:41-2.2 Distribution of funding

(a) Funds available to the Homelessness Prevention Program shall be so allocated that funding is available for those now homeless, for those facing homelessness as a result of eviction and for those facing homelessness as a result of foreclosure.

(b) Funds shall be so distributed so that applicants in all regions of the State have equal access to assistance.

5:41-2.3 Levels of assistance

(a) The Homelessness Prevention Program shall apply available funds so as to provide assistance to as many people in need of such assistance as possible. Assistance to any one person or household shall not exceed the minimum amount necessary to obtain habitable lodging or to avoid imminent eviction or foreclosure.

(b) Where there is any reasonable prospect of repayment, funds shall be advanced as a loan rather than as a grant, upon such terms as the Department of Community Affairs shall consider reasonable and appropriate in light of prevailing interest rates and the applicant's present and future ability to repay.

1. Loans shall be evidenced by a note and, if the applicant owns real property, secured by a mortgage. The form and content of the note and mortgage shall be prescribed by the Department of Community Affairs.

Amended by R.2008 d.66, effective April 7, 2008.
See: 39 N.J.R. 4986(a), 40 N.J.R. 1827(b).

In the introductory paragraph of (b) and in (b)1, substituted "Department of Community Affairs" for "Bureau of Housing Services".

Case Notes

Rental assistance; apartment larger than applicant needed. *N.J.S.A. 52:27D-280 et seq. B.T. v. Department of Community Affairs*, 93 N.J.A.R.2d (CAF) 29.

5:41-2.4 Period of assistance

(a) No person who has become eligible for permanent rental assistance under the Housing Choice Voucher Program of the United States Housing Act of 1937, 42 U.S.C. §1437(f) (24 CFR §§982.01 et seq.) or for any subsidized housing, which the household can afford shall continue to receive assistance under the Homelessness Prevention Program once the permanent rental assistance or subsidized housing becomes available.

(b) No person shall continue to receive assistance under the Homelessness Prevention Program for more than six months, nor shall any person receive assistance to pay more than three months' rental arrears, unless the Department of

Community Affairs finds there to be sufficient extenuating circumstances to justify an extension.

(c) A household shall be eligible for assistance under the Homelessness Prevention Program more than once only if the problem causing the situation is not chronic or repetitive in nature. Any assistance given after the first award shall be in the form of a loan.

Amended by R.1986 d.296, effective July 21, 1986.
See: 17 N.J.R. 2939(a), 18 N.J.R. 1453(c).

(c) added.

Amended by R.1988 d.521, effective November 7, 1988.
See: 19 N.J.R. 1777(a), 20 N.J.R. 2752(a).

Added text in (b) "nor shall any months' rental arrears".
Amended by R.2008 d.66, effective April 7, 2008.

See: 39 N.J.R. 4986(a), 40 N.J.R. 1827(b).

In (a), substituted "Housing Choice Voucher Program" for "section 8 program", "§1437(f) (24 CFR §§982.01)" for "§ 1437(f) (24 C.F.R. § 882.101)" and "the household" for "he", and inserted a comma following the first occurrence of "housing"; in (b), substituted "Department of Community Affairs" for "Bureau of Housing Services"; and in (c), inserted the last sentence.

5:41-2.5 Priorities

(a) Inasmuch as all households that apply and are found eligible may not be able to receive assistance due to lack of funds, first consideration shall be given to those most vulnerable in the event of homelessness. Priorities for consideration for assistance among otherwise qualified applicants in the same applicant pool shall be assigned in the following order. However, no person shall be deemed to be entitled to assistance solely by virtue of being in one of the following categories.

1. Households with a person who is found to be disabled or handicapped by a government agency physician or other health professional at time of application;

2. Households with a person who is at least 62 years of age;

3. Victims of domestic violence (A referral from the Department of Children and Families, emergency shelter agency, county welfare agency, or other social agency shall be required.);

4. Households with children, which have broken up or face imminent breakup due to homelessness. (A recommendation from the Department of Children and Families, emergency shelter agency, county welfare agency or other social agency shall be required.);

5. Single parent households;

6. Other households with children;

7. All other households.

(b) Preference will be given to households already in sustainable housing.

Amended by R.1986 d.296, effective July 21, 1986.
See: 17 N.J.R. 2939(a), 18 N.J.R. 1453(c).

(a)1 amended; (a)2 through 6 deleted; new (a)3.-7.